

1 KATJA LOEFFELHOLZ (SBN 224407)  
2 kl@dpf-law.com  
3 JOY L. DURAND (SBN 245413)  
4 jdurand@dpf-law.com  
5 DICKENSON, PEATMAN & FOGARTY  
6 1500 First Street, Suite 200  
7 Napa, California 94559  
8 Telephone: (707) 252-7122  
9 Facsimile: (707) 340- 7239

10 *Attorneys for Plaintiff*  
11 *Domaine Carneros, Ltd.*

12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**UNITED STATES DISTRICT COURT**  
**NORTHERN DISTRICT OF CALIFORNIA**

DOMAINE CARNEROS, LTD.,

Plaintiff,

vs.

CHATEAU DE REVE LLC,

Defendant.

**Case No. \_\_\_\_\_**

**COMPLAINT**

- 1. Federal Trademark Infringement**
- 2. Federal Unfair Competition and False Designation Of Origin**
- 3. Unfair Competition Under Cal. Bus. & Prof. Code §17200**
- 4. Common Law Trademark Infringement**
- 5. Common Law Unfair Competition**

**DEMAND FOR JURY TRIAL**

Plaintiff Domaine Carneros, Ltd. (“Plaintiff”), for its Complaint against Defendant Chateau De Reve LLC (“Defendant”), alleges, upon personal knowledge with respect to itself and its acts, and upon information and belief as to all other matters, as follows:

**NATURE OF ACTION**

1. This action arises from Defendant’s infringement of Plaintiff’s trademark rights by using trademarks for its wine that are identical to and/or confusingly similar to Plaintiff’s well-

1 known LE REVE® trademark. Under these circumstances, consumer confusion is inevitable. This  
2 Complaint asserts causes of action under the federal Lanham Act for infringement of a federally  
3 registered trademark (15 U.S.C. §1114), federal unfair competition and false designation of origin  
4 (15 U.S.C. §1125(a)), California unfair competition (Cal. Bus. & Prof. Code §17200) and common  
5 law trademark infringement and unfair competition, as the result of the unauthorized use by  
6 Defendant of colorable imitations of Plaintiff's LE REVE® trademark, as more fully set forth  
7 hereinafter. Plaintiff seeks preliminary and permanent injunctive relief restraining Defendant's  
8 infringement of Plaintiff's LE REVE® trademark, monetary damages, attorneys' fees, and related  
9 relief.

10 **THE PARTIES**

11 2. Plaintiff is a corporation organized under the laws of the state of Delaware with its  
12 principal place of business at 1240 Duhig Road, Napa, California 94558. Plaintiff is the owner of  
13 the LE REVE® trademark.

14 3. Defendant is a limited liability company organized under the laws of the state of  
15 California with its principal place of business at 40110 Calle Bandido, Murrieta, California 92562.  
16 Defendant produces wine featuring the trademarks LE REVE and CHATEAU DE REVE.

17 **JURISDICTION AND VENUE**

18 4. This Court has subject matter jurisdiction over Plaintiff's claims under and pursuant  
19 to 15 U.S.C. §1121 and 28 U.S.C. §1338(a), as the claims arise under the federal Lanham Act, 15  
20 U.S.C. §§1116-1127. This Court also has pendent jurisdiction over all related claims herein in  
21 accordance with 28 U.S.C. §1338(b).

22 5. Defendant, either directly or through its agents, transacted business in the State of  
23 California and within this judicial district, as more specifically set forth below, and expected or  
24 should reasonably have expected its acts to have consequence in the State of California and within  
25 this judicial district.

26 6. Venue is proper in this district pursuant to 28 U.S.C. §1391(b), as Defendant is doing  
27 business in this judicial district and therefore may be found in this district, and/or as a substantial  
28 part of the events giving rise to the claims alleged herein occurred in this judicial district, and/or the

1 infringement occurred in this judicial district.

2 **INTRADISTRICT ASSIGNMENT**

3 7. Pursuant to Civil Local Rule 3-2(c) this is an intellectual property matter which is to  
4 be assigned on a district-wide basis.

5 **ALLEGATIONS COMMON TO ALL CLAIMS**

6 8. Plaintiff was established in 1987 by Claude Taittinger (“Taittinger”) of the famous  
7 French Taittinger Champagne House. Taittinger believed that he could produce some of the best  
8 wines of the century from the unique Carneros terroir in the heart of Napa Valley. Taittinger chose  
9 Eileen Crane, often referred to as America's doyenne of sparkling wine, to develop and oversee the  
10 production of sparkling wine using the same method as done in Champagne, France.

11 9. Plaintiff is best known as a grower-producer of méthode traditionelle (“traditional  
12 method”) sparkling wines, estate vineyards and its breathtakingly beautiful Château which is  
13 recognized as a regional landmark. While méthode traditionelle is the most time consuming and  
14 costly way to produce sparkling wine, it is the only method used by Plaintiff to produce its top-  
15 quality sparkling wines. This technique is unique in that the wine undergoes a second fermentation  
16 in the bottle. Plaintiff's vintage-dated sparkling wines are aged in the bottle for at least three years,  
17 while Plaintiff's esteemed LE REVE® Blanc de Blancs is aged a minimum of six years prior to  
18 release.

19 10. Plaintiff's LE REVE® sparkling wine is produced from Plaintiff's best fruit and  
20 crafted to be the highest expression of Plaintiff's sparkling wine portfolio. Plaintiff has dedicated  
21 substantial efforts and resources to developing and producing its renowned LE REVE® sparkling  
22 wine. As a result of its efforts and acclaimed wine making, Plaintiff's sparkling wines are widely  
23 considered by consumers and industry experts to be among the finest in the United States. In fact,  
24 Plaintiff's LE REVE® sparkling wine was served in 1995 and again in 1999 at White House State  
25 Dinners.

26       ///

27       ///

28       ///

1 11. Plaintiff's LE REVE® trademark is depicted on its labels in an all-caps serif typeface  
2 as depicted below:



3  
4  
5  
6  
7  
8  
9  
10  
11 The labels for Plaintiff's LE REVE® sparkling wines also feature an image of Plaintiff's iconic  
12 French-inspired Château and a black and gold color scheme.

13 12. Since as early as April of 1998, Plaintiff has used the inherently distinctive trademark  
14 LE REVE® to market and sell sparkling wine throughout the United States. Plaintiff has expended  
15 substantial time, money, effort, and resources to the development and promotion of the LE REVE®  
16 trademark and the sparkling wine offered in connection with the LE REVE® brand. As a result of  
17 Plaintiff's efforts and the superior quality of the sparkling wine offered under the LE REVE®  
18 trademark, the public has come to recognize and rely upon the LE REVE® trademark as an  
19 indication of high-quality sparkling wine and the LE REVE® trademark enjoys substantial goodwill  
20 in the marketplace and is a valuable asset of Plaintiff.

21 13. Plaintiff is the owner of the trademark LE REVE® for sparkling wines as well as the  
22 owner of incontestable U.S. Trademark Registration No. 2,255,988 for LE REVE® for wines and  
23 sparkling wines in International Class 33, issued on June 22, 1999 with constructive rights dating  
24 back to July 31, 1997 (the "LE REVE® Registration"). As indicated in the LE REVE® Registration,  
25 the term LE REVE translates into English as THE DREAM. Plaintiff has used the LE REVE®  
26 mark on and in association with sparkling wine since as early as April 1998, long prior to the acts  
27 of Defendant complained of herein.

28 ///

1       14. The LE REVE® Registration is incontestable and in full force and effect on the  
2 United States Patent and Trademark Office's Principal Register and gives rise to presumptions in  
3 favor of Plaintiff with respect to validity, ownership, and exclusive rights to use the LE REVE®  
4 mark for wines and sparkling wines throughout the United States.

5       15. LE REVE® sparkling wines are enormously popular and have received numerous  
6 accolades and awards over the years. For example, LE REVE® sparkling wines have earned gold,  
7 double gold, best of class and best of show honors at many prestigious wine competitions including  
8 the San Francisco International Wine Competition, the American Fine Wine Competition, the  
9 Critics Challenge International Wine Competition, the San Diego International Wine Competition,  
10 the Winemaker Challenge and the Texas Sommelier Conference.

11       16. Plaintiff's LE REVE® sparkling wines have also received widespread attention from  
12 third party wine critics and media. Since 2012, alone, LE REVE® wines have received over forty-  
13 five scores of 90 points or above from leading wine publications including *Wine Enthusiast* and  
14 *Wine Spectator* magazines and highly regarded wine critics including James Suckling and Owen  
15 Bargreen.

16       17. As a result of Plaintiff's widespread use of the LE REVE® mark in the United States,  
17 extensive advertising and promotion of the sparkling wines sold in connection with the LE REVE®  
18 trademark, and the brand's continuous and unsolicited media coverage, the LE REVE® trademark  
19 enjoys a high degree of consumer recognition and has become a well-known mark.

20       18. Defendant uses the marks LE REVE and CHATEAU DE REVE in connection with  
21 the production and sale of wine. On July 26, 2023, Plaintiff sent a demand letter to Defendant  
22 requesting that it cease use of the LE REVE and CHATEAU DE REVE marks. On August 23,  
23 2023, Defendant declined Plaintiff's request and indicated that it saw no reason why Plaintiff's LE  
24 REVE® mark and its LE REVE and CHATEAU DE REVE marks could not coexist in the  
25 marketplace.

26       ///

27       ///

28       ///

1       19.    Defendant's LE REVE mark is depicted on its labels in an all-caps serif typeface.  
2 The labels for Defendant's LE REVE and CHATEAU DE REVE marks also feature an image of  
3 Defendant's French-inspired Château and a black and gold color scheme as depicted below:



12       13    Defendant advertises that its LE REVE mark translates into English as THE DREAM and its  
14    CHATEAU DE REVE mark translates into English as THE DREAM CHATEAU.

15       20.    Defendant's LE REVE mark is identical to Plaintiff's LE REVE® mark.  
16    Defendant's CHATEAU DE REVE mark is highly similar to Plaintiff's LE REVE® mark. Given  
17    that Defendant is using its LE REVE and CHATEAU DE REVE marks on goods identical to  
18    Plaintiff's goods, namely California wine, Defendant's infringing acts as alleged herein are likely to  
19    cause confusion, mistake, and deception among the relevant consuming public as to the source or  
20    origin of the Defendant's wine and are likely to deceive the relevant consuming public into believing,  
21    mistakenly, that Defendant's wine originates from, is associated or affiliated with, or otherwise  
22    authorized by Plaintiff.

23       21.    Defendant's infringing use of the LE REVE and CHATEAU DE REVE marks will  
24    unjustly increase the profitability of Defendant's LE REVE and CHATEAU DE REVE wine to the  
25    detriment of Plaintiff and at no cost to Defendant.

26       22.    Plaintiff will be further harmed as consumers will purchase Defendant's LE REVE  
27    and CHATEAU DE REVE wine believing it to be affiliated with, associated with, connected to, or  
28    sponsored by Plaintiff, and thereby forego purchase of Plaintiff's wine under the LE REVE® mark,

1 resulting in loss of sales to Plaintiff from Defendant's unfair competition.

2 23. Defendant's infringing use of the identical LE REVE mark and the confusingly  
3 similar CHATEAU DE REVE mark will financially harm Plaintiff by diminishing the value of  
4 Plaintiff's LE REVE® mark.

5 24. Defendant's use of the LE REVE and CHATEAU DE REVE marks will endanger  
6 the ability of Plaintiff's LE REVE® mark to serve as a unique and distinctive source indicator for  
7 Plaintiff and/or Plaintiff's goods.

8 25. Upon information and belief, Defendant's acts are willful with the deliberate intent  
9 to trade on the goodwill of Plaintiff's LE REVE® mark, cause confusion and deception in the  
10 marketplace, and divert potential sales of Plaintiff's to the Defendant.

11 26. Unless restrained by this Court, Defendant will unfairly compete with Plaintiff by  
12 using the LE REVE and CHATEAU DE REVE marks, and Plaintiff is without adequate remedy at  
13 law.

14 27. This case is an exceptional case entitling Plaintiff to treble damages and attorneys'  
15 fees, and Defendant's conduct further entitles Plaintiff to punitive damages.

16 28. Despite Plaintiff's attempts to resolve this dispute amicably, Defendant has persisted  
17 in using the infringing LE REVE and CHATEAU DE REVE marks, leaving Plaintiff no choice but  
18 to file this Complaint.

19 **FIRST CAUSE OF ACTION**

20 (Federal Trademark Infringement under 15 U.S.C. §1114)

21 29. Defendant's actions as described above and Defendant's use of the LE REVE and  
22 CHATEAU DE REVE marks in commerce constitute trademark infringement in violation of  
23 Section 32 of the Lanham Act, 15 U.S.C. §1114.

24 30. Defendant's adoption and use of marks identical to and/or confusingly similar to  
25 Plaintiff's LE REVE® mark will cause irreparable injury to the value and goodwill of the LE  
26 REVE® mark, as well as to Plaintiff's business, goodwill, and reputation. Defendant's actions, if  
27 not enjoined, will continue. Plaintiff has no adequate remedy at law in that the amount of its  
28 damages is difficult to ascertain with certainty.



31. As a result of Defendant's infringement, Plaintiff has incurred damages in an amount to be proven at trial.

32. Defendant's actions as described above are deliberate, willful, fraudulent and without any extenuating circumstances, and constitute a knowing violation of Plaintiff's rights. Plaintiff is therefore entitled to recover three times the amount of its actual damages, and attorneys' fees and costs incurred in this action, as this is an "exceptional" case under Section 35 of the Lanham Act, 15 U.S.C. §1117.

## **SECOND CAUSE OF ACTION**

(Federal Unfair Competition and False Designation of Origin under 15 U.S.C. §1125)

33. Defendant's actions as described above and Defendant's use of the LE REVE and CHATEAU DE REVE marks in commerce constitute unfair competition and false designation of origin in violation of Section 43 of the Lanham Act, 15 U.S.C. §1125.

34. Defendant's adoption and use of marks identical to and/or confusingly similar to Plaintiff's LE REVE® mark will cause irreparable injury to the value and goodwill of the LE REVE® mark, as well as to Plaintiff's business, goodwill, and reputation. Defendant's actions, if not enjoined, will continue. Plaintiff has no adequate remedy at law in that the amount of its damages is difficult to ascertain with certainty.

35. As a result of Defendant's infringement, Plaintiff has incurred damages in an amount to be proven at trial.

36. Defendant's actions as described above are deliberate, willful, fraudulent and without any extenuating circumstances, and constitute a knowing violation of Plaintiff's rights. Plaintiff is therefore entitled to recover three times the amount of its actual damages, and attorneys' fees and costs incurred in this action, as this is an "exceptional" case under Section 35 of the Lanham Act, 15 U.S.C. §1117.

### **THIRD CAUSE OF ACTION**

(State Unfair Competition under Cal. Bus. & Prof. Code §17200)

37. Defendant's actions described above related to use of the LE REVE and CHATEAU DE REVE trademarks in commerce constitute unlawful, unfair or fraudulent business acts or

1 practices in violation of Cal. Bus. & Prof. Code §17200.

2 **FOURTH CAUSE OF ACTION**

3 (Common Law Trademark Infringement)

4 38. The Defendant's above-averred actions constitute trademark infringement and  
5 passing off in violation of the common law of California.

6 **FIFTH CAUSE OF ACTION**

7 (Common Law Unfair Competition)

8 39. The Defendant's above-averred actions constitute a false designation of origin in  
9 violation of the common law of California.

10 **PRAYER FOR RELIEF**

11 WHEREFORE, Plaintiff requests the following relief:

12 1. That Defendant and its principals, partners, franchisees, agents, employees,  
13 licensees, affiliates, distributors, producers, any parent and subsidiary companies, attorneys and  
14 representatives and all of those in privity with or acting under its direction and/or pursuant to its  
15 control, be preliminarily and permanently enjoined and restrained, from directly or indirectly:

16 a. Using the terms LE REVE, CHATEAU DE REVE, or any term or mark  
17 confusingly similar to Plaintiff's LE REVE® mark including but not limited to any mark  
18 encompassing the term REVE, in connection with the advertisement, promotion, distribution,  
19 offering for sale or selling of alcoholic beverages, or products or services related to alcoholic  
20 beverages;

21 b. Performing any acts or using any trademarks, names, words, images or  
22 phrases that are likely to cause confusion, to cause mistake, to deceive or otherwise mislead the  
23 trade or public into believing that Plaintiff and Defendant are one in the same or are in some way  
24 connected or that Plaintiff is a sponsor of Defendant or that the goods of Defendant originate with  
25 Plaintiff or are likely to lead the trade or public to associate Defendant with Plaintiff;

26 2. That Defendant be required to file with the Court, and serve on Plaintiff, a statement  
27 under oath evidencing compliance with any preliminary or permanent injunctive relief ordered by  
28 the Court within fourteen (14) days after the entry of such order of injunctive relief;

1       3.    That Defendant and its principals, partners, franchisees, agents, employees,  
2 licensees, affiliates, distributors, producers, any parent and subsidiary companies, attorneys and  
3 representatives and all of those in privity with or acting under its direction and/or pursuant to its  
4 control, be required to deliver up for destruction all advertising, promotional materials, point of sale  
5 materials, labels, caps, corks, neckers, packaging, and any other materials bearing the infringing  
6 marks together with all artwork, plates, molds, matrices and other means and materials for making  
7 and reproducing the same;

8       4.    That Defendant be ordered to recall infringing LE REVE and CHATEAU DE REVE  
9 wine in distribution in the marketplace;

10      5.    That Defendant be adjudged to have violated 15 U.S.C. § 1114 by infringing  
11 Plaintiff's LE REVE® trademark;

12      6.    That Defendant be adjudged to have violated 15 U.S.C. § 1125(a) for unfairly  
13 competing against Plaintiff by using a false designation of origin for Defendant's wine;

14      7.    That Defendant be adjudged to have unlawfully and unfairly competed against  
15 Plaintiff under the laws of the State of California, Cal. Bus. & Prof. Code § 17200, *et seq.*;

16      8.    That Plaintiff be awarded Defendant's profits derived by reason of said acts, or as  
17 determined by an accounting;

18      9.    That Plaintiff be awarded three times Defendant's profits and three times of all  
19 Plaintiff's damages, suffered as a result of Defendant's willful, intentional, and deliberate acts in  
20 violation of the Lanham Act, as well as Plaintiff's costs, attorneys' fees, and expenses in this suit  
21 under 15 U.S.C. § 1117;

22      10.   That Plaintiff be awarded damages in an amount sufficient to compensate it for the  
23 damage caused by Defendant's unfair competition under Cal. Bus. & Prof. Code § § 17200 *et seq.*;

24      11.   That Plaintiff be awarded three times Defendant's profits and three times Plaintiff's  
25 damages suffered as a result of the willful, intentional, and deliberate acts in violation of Cal. Bus.  
26 & Prof. Code §§ 14247 and 14250;

27      12.   That Defendant be ordered to pay Plaintiff monetary damages for the harm resulting  
28 from infringement of Plaintiff's mark, in an amount to be determined at trial;

1       13. That Plaintiff's damages be trebled and that Defendant be ordered to pay Plaintiff's  
2 attorneys' fees on the basis that this is an exceptional case;

3       14. That Plaintiff be awarded punitive damages as a result of Defendant's conduct;

4       15. That Plaintiff be granted prejudgment and post judgment interest;

5       16. That Plaintiff be granted costs associated with the prosecution of this action; and

6       17. That Plaintiff has such other and further relief as this Court shall deem just and proper  
7 on the merits.

8

9       DATED: September 25, 2023

DICKENSON, PEATMAN & FOGARTY

10      By: \_\_\_\_\_

11        
12      Katja Loeffelholz (SBN 224407)  
13      kl@dpf-law.com  
14      Joy L. Durand (SBN 245413)  
15      jdurand@dpf-law.com  
16      1500 First Street, Suite 200  
17      Napa, CA 94559  
18      Tel. No.: (707) 261-7000

19      *Attorneys for Domaine Carneros, Ltd.*

20      dp&f  
21      LAW

